

Bonanza Creek Energy, Inc.  
Form 10-Q  
November 08, 2018  
Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2018

Commission File Number: 001-35371

Bonanza Creek Energy, Inc.

(Exact name of registrant as specified in its charter)

Delaware 61-1630631

(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

410 17th Street, Suite 1400

Denver, Colorado 80202

(Address of principal executive offices) (Zip Code)

(720) 440-6100

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes " No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes " No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer x

Non-accelerated filer " (Do not check if  
a smaller reporting company)

Emerging growth company " Smaller reporting company "

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). "

Yes x No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. x Yes " No

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As of November 5, 2018, the registrant had 20,543,940 shares of common stock outstanding.

Table of Contents

BONANZA CREEK ENERGY, INC.  
INDEX

	PAGE
<u>Part I. FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements (Unaudited)</u>	
<u>Condensed Consolidated Balance Sheets</u>	3
<u>Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)</u>	4
<u>Condensed Consolidated Statements of Stockholders' Equity</u>	6
<u>Condensed Consolidated Statements of Cash Flows</u>	7
<u>Notes to the Condensed Consolidated Financial Statements</u>	8
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation</u>	26
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	38
<u>Item 4. Controls and Procedures</u>	39
<u>Part II. OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings</u>	39
<u>Item 1A. Risk Factors</u>	40
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	40
<u>Item 3. Defaults Upon Senior Securities</u>	40
<u>Item 4. Mine Safety Disclosures</u>	41
<u>Item 5. Other Information</u>	41
<u>Item 6. Exhibits</u>	41



Table of Contents

## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements.

BONANZA CREEK ENERGY, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)  
 (in thousands, except share amounts)

	Successor	
	September 30, 2018	December 31, 2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$24,007	\$ 12,711
Accounts receivable:		
Oil and gas sales	36,085	28,549
Joint interest and other	39,118	3,831
Prepaid expenses and other	5,365	6,555
Inventory of oilfield equipment	1,759	1,019
Derivative assets	134	488
Total current assets	106,468	53,153
Property and equipment (successful efforts method):		
Proved properties	584,672	555,341
Less: accumulated depreciation, depletion and amortization	(39,644 )	(17,032 )
Total proved properties, net	545,028	538,309
Unproved properties	177,552	183,843
Wells in progress	102,462	47,224
Other property and equipment, net of accumulated depreciation of \$2,382 in 2018 and \$2,224 in 2017	3,766	4,706
Total property and equipment, net	828,808	774,082
Long-term derivative assets	—	6
Other noncurrent assets	3,159	3,130
Total assets	\$938,435	\$ 830,371
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses (note 5)	\$72,720	\$ 62,129
Oil and gas revenue distribution payable	16,119	15,667
Derivative liability	34,419	11,423
Total current liabilities	123,258	89,219
Long-term liabilities:		
Credit facility	—	—
Ad valorem taxes	25,174	11,584
Long-term derivative liability	6,504	2,972
Asset retirement obligations for oil and gas properties	27,903	38,262
Total liabilities	182,839	142,037
Commitments and contingencies (note 7)		
Stockholders' equity:		

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Preferred stock, \$.01 par value, 25,000,000 shares authorized, none outstanding	—	—
Common stock, \$.01 par value, 225,000,000 shares authorized, 20,543,940 and 20,453,549 issued and outstanding in 2018 and 2017, respectively	4,286	4,286
Additional paid-in capital	694,238	689,068
Retained earnings (deficit)	57,072	(5,020 )
Total stockholders' equity	755,596	688,334
Total liabilities and stockholders' equity	\$938,435	\$ 830,371

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents

BONANZA CREEK ENERGY, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME  
(UNAUDITED)

(in thousands, except per share amounts)

	Successor	
	Three	Three
	Months	Months
	Ended	Ended
	September	September
	30,	30, 2017
	2018	
Operating net revenues:		
Oil and gas sales	\$74,380	\$ 45,232
Operating expenses:		
Lease operating expense		